

EXHIBIT E

Case No. 6:24-cv-03183-MDH

4. There were sixteen containers at the Crocker Site. We could only inspect twelve of the sixteen containers because four of the containers were locked and unable to be opened by Blockquarry personnel. The twelve containers we inspected all had Bitmain Miners based on our review of the model of the machines, which was S19J Pro. The Blockquarry representatives at the site told us that the other four containers also had Bitmain Miners, but we could not confirm this through our inspection. None of the Bitmain Miners we inspected were powered on. The following picture, which we took during the inspection, shows four of the containers we saw at the Crocker Site.



5. We identified water leakage in the containers, which may have caused water damage to the Bitmain Miners that were off-racked and placed on the floor of the containers. The following picture, taken by us during the inspection, shows this water leakage:



6. We also observed Bitmain Miners with rusted fans and, upon disassembling three such Miners for a more thorough inspection, found that all three Miners had internal rust, including rust on the fans and the hashrate board, a critical component of a mining machine, as shown in the following pictures we took during the inspection:



7. We were not permitted to inspect all of the containers at the Crocker Site during the December 28 inspection and, because none of the containers were powered, we were not able to prepare a complete inventory of the Bitmain Miners on site or to fully assess their condition.

8. Based upon my initial inspection, I concluded that Bitmain's Miners had been subjected to inadequate environmental controls, including insufficient moisture control and inappropriate temperature settings, which are critical given the Miners' sensitivity to environmental conditions. Generally, the air inlet humidity of the containers needs to be below 65% Relative Humidity and the air inlet temperature needs to be below 30°C. The containers I inspected did not meet these humidity and temperature requirements.

9. If Miners are stored in an overly humid and dusty environment without power, the risk of dust accumulation due to static electricity and corrosion increases, and the inside boards are prone to oxidation.

10. The poor environmental conditions subjected the Bitmain Miners to excessive

moisture during the spring and winter seasons. With the arrival of summer, the exposure to high heat in the upcoming months further compounds these risks. These adverse conditions are highly likely to accelerate the deterioration of the Bitmain Miners, potentially rendering them irreparable and unusable.

11. Based on my inspection, I concluded that the Bitmain Miners had suffered substantial physical damage due to environmental exposure as a result of gross mismanagement.

12. Defendants' retention of the Bitmain Miners is wrongful and harmful to Bitmain. This harm to Bitmain is increasing every day that the Bitmain Miners are not in use and are being kept in improper environmental conditions.

I declare under the penalty of perjury that the foregoing is true and correct.

Executed on July 2, 2024 in Houston, Texas.

Haishan Sun

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